

EXECUTIVE SECRETARIAT **ROUTING SLIP**

TO:		ACTION	INFO	DATE	INITIAL
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9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
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Remarks

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March 1985

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FM AMEMBASSY MADRID

TO RUEHC/SECSTATE WASHDC IMMEDIATE 0144

RUEHLL/CONTADORA COLLECTIVE

INFO RUEHVV/AMEMBASSY MONTEVIDEO IMMEDIATE 0425

RUESBY/AMCONSUL GUAYAQUIL IMMEDIATE 0131

BT

SECRET MADRID 02315

EXDIS

MONTEVIDEO FOR SECRETARY

AMCONS GUAYAQUIL ALSO FOR SECRETARY

E.O. 12355:DECL:OADR

TAGS: PREL SP

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TOR: 282337Z FEB 85

SUBJECT: GONZALEZ ON LATIN AMERICAN ISSUES**1. SECRET - ENTIRE MESSAGE.**

2. SUMMARY. PRIME MINISTER GONZALEZ TOLD AMBASSADOR WALTERS AND ME TODAY THAT NICARAGUA WILL DECLARE A MORATORIUM ON ARMS IMPORTS, BEGIN REDUCING THE NUMBER OF CUBAN MILITARY ADVISERS THIS SUMMER, AND RELEASE URBINA LARA, IN ORDER TO GET THE CONTADORA TALKS GOING AGAIN. HE URGED JS TO GO BACK TO THE TABLE OURSELVES. GONZALEZ ALSO THINKS THAT CASTRO IS READY TO TALK SERIOUSLY WITH THE UNITED STATES, RENOUNCING HIS WORLD ROLE IN RETURN FOR ACCOMMODATION IN THE REGION. HE BELIEVES UNITY OF THE OPPOSITION IS THE KEY TO THE TRANSITION IN CHILE, AND WOULD OFFER PINOCHET ASYLUM IF THAT WOULD HELP. HE IS CONVINCED ALFONSIN MADE A SERIOUS ERROR IN NOT APPLYING A "BRUTAL SHOCK" TO THE ARGENTINE ECONOMY LAST YEAR, BUT CAN STILL DO IT. **END SUMMARY.**

3. CENTRAL AMERICA. AMBASSADOR WALTERS OBSERVED THAT AFTER VIETNAM, LAOS, IRAN AND ETHIOPIA, THE UNITED STATES COULD NOT AFFORD TO SUFFER THE LOSS OF CREDIBILITY THAT WOULD RESULT IF HE PERMITTED THE SOVIETS TO CONSOLIDATE IN CENTRAL AMERICA. DEMOCRATIZATION IS VITAL, BECAUSE DEMOCRATIC STATES DON'T LAUNCH UNPROVOKED ATTACKS ON NEIGHBORS, BUT MANY DICTATORSHIPS HAVE. GONZALEZ REPLIED THAT HE COULD RESPECT THE FORMER LINE OF REASONING AND SHARED THE LATTER. FOR HIM, AS A SOCIALIST, THE WORST THING THAT COULD HAPPEN WOULD BE THE EMERGENCE OF A COMMUNIST STATE IN CENTRAL AMERICA. BUT HE THOUGHT OUR METHODS WERE WRONG, AND THAT WE WOULD MORE LIKELY CONSOLIDATE SANDINISTA CONTROL, WITH ALL ITS TOTALITARIAN TEMPTATIONS, THAN SHAKE IT. ORIEGA HAD CALLED HIM LAST NIGHT TO SAY THAT HE WAS GOING TO RELEASE LARA, ANNOUNCE A MORATORIUM ON ARMS IMPORTS INTO NICARAGUA, AND BEGIN IN JUNE TO DIMINISH THE NUMBER OF CUBAN MILITARY ADVISERS, SENDING THEM BACK IN PACKETS OF 50. "OBVIOUS INTENT IS TO CREATE A PEACE PLATFORM". GONZALEZ, WHO GAVE US THE IMPRESSION OF HAVING BEEN INVOLVED IN WORKING OUT THE NEW POSITION WITH THE NICARAGUANS, SAID HE THOUGHT IT ABSOLUTELY ESSENTIAL FOR THE CONTADORA DISCUSSIONS TO

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START AGAIN, AND URGED US TO GO BACK TO THE NEGOTIATING TABLE. HE ADMITTED HE COULD NOT BE SURE THE NICARAGUAN ACTION WAS MORE THAN A PLOY, BUT INSISTED IT SHOWED A WILL TO NEGOTIATE.

4. CUBA. GONZALEZ BRUSHED ASIDE AMBASSADOR WALTERS' REMARK THAT CASTRO HAD TOLD HIM THAT HE BECAME A COMMUNIST AT 17, AS WELL AS THE OBSERVATION THAT CUBA WAS UNLIKELY TO DO ANYTHING THAT WOULD UNDERMINE THE WORLD ROLE IT WAS NOW PLAYING. GONZALEZ DESCRIBED CASTRO AS AN "ANARCHO-CHRISTIAN". CASTRO, HE SAID, IS READY TO DEAL WITH THE AMERICANS, AND WOULD TRADE HIS WORLD ROLE FOR AN ACCOMMODATION THAT PERMITTED HIM TO DIVERSIFY HIS ECONOMY AND PARTICIPATE NORMALLY IN THE AFFAIRS OF THE HEMISPHERE. GONZALEZ NOTED, HOWEVER, "THAT MAY NOT BE IN YOUR INTEREST AS YOU SEE IT".

5. CHILE. RESPONDING TO AMBASSADOR WALTERS' OBSERVATION THAT FINDING A PLACE FOR PINOCHET TO GO PHYSICALLY WAS ONE OF THE HARDEST ELEMENTS IN THE TRANSITION PROBLEM, GONZALEZ SAID HE WOULD BE GLAD TO HAVE HIM COME TO SPAIN AND WOULD INVITE HIM IF THAT WOULD HELP. BUT THE REAL ISSUE IS HOW TO UNIFY THE OPPOSITION. VALDEZ WAS WEAK AND ZALDIVAR IS ABRASIVE AND UNLIKELY TO BE ACCEPTED BY OTHER PARTIES. SOMEONE IS NEEDED ON THE MODEL OF ADOLFO SUAREZ, A PERSON NOT NECESSARILY WITH A BROAD CONCEPT OF STATECRAFT, BUT SKILLFUL IN DEALING WITH PEOPLE. THE CHILEAN OPPOSITION SHOULD TAKE ITS MODEL FROM THE NEVES OPERATION.

6. ARGENTINA. ALFONSIN WILL ULTIMATELY FAIL IF HE DOES NOT GET INFLATION UNDER CONTROL. HE SHOULD HAVE GIVEN THE ECONOMY A BRUTAL SHOCK AT THE START OF HIS ADMINISTRATION, AND CAN STILL RECOVER IF HE DOES SO NOW. WITHOUT THAT, THE PROCESS OF DEMOCRATIZATION IN ARGENTINA WILL BE AT RISK.

7. AMERICAN HISPANICS. GONZALEZ RECOGNIZES THAT SPAIN IS NOT DOING ENOUGH TO CONTACT THEM. HE SPOKE OF HIS DESIRE TO VISIT THE SOUTHWEST. HE UNDERSTANDS THAT THE

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MONTEVIDEO FOR SECRETARY
AMCONS GJAYABUIL ALSO FOR SECRETARY

E.O.12356:DECL:OADR

TAGS: PREL SP

SUBJECT: GONZALEZ ON LATIN AMERICAN ISSUES

U.S. IS NOW THE 5TH SPANISH-SPEAKING COUNTRY IN TERMS OF
NUMBERS, AND MAY REACH 3RD PLACE BY THE END OF THE
CENTURY.

8. COMMENT. IT WOULD APPEAR FROM THIS CONVERSATION
AND OTHER EVIDENCE THAT GONZALEZ HAS SWITCHED FROM THE
ROLE OF AN INCREASINGLY PESSIMISTIC OBSERVER OF THE
SANDINISTA REGIME TO INVOLVEMENT IN ENCOURAGING INTERNAL
AND EXTERNAL MODERATION IN NICARAGUA. HE THOUGHT HE WAS
EXPRESSING PRIDE IN THE NEW SANDINISTA NEGOTIATING
POSITION JUST AS HE WELCOMED THE AMNESY OFFER AND OTHER
INTERNAL PROPOSALS THE SANDINISTAS MADE IN JANUARY,
POSSIBLY AT HIS SUGGESTION. HE DID NOT COME ON STRONG,
BUT HE EXPECT HIM TO REPEAT HIS PLEA FOR A RESUMPTION
OF NEGOTIATIONS TO SECRETARY SHULTZ TOMORROW, AND TO
PRESIDENT REAGAN IN MAY, LETTING THE PRESS KNOW THAT HE
IS DOING SO. GONZALEZ DID NOT DESCRIBE HOW MUCH CONTACT
HE HAS WITH ORTEGA, BUT BY IMPLICATION IT HAS BEEN
SIGNIFICANT. HE DID NOTE THAT HE HAD EARNED THE ENMITY
OF TOMAS BORGE, FOR SEEING ARTURO CRUZ.
ENDERS

END OF MESSAGE

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